UNITED NATIONS

ECONOMIC COMMISSION
FOR LATIN AMERICA
AND THE CARIBBEAN - ECLAC

Distr.
GENERAL

LC/G.1819(SES.25/20)/Rev.1
18 February 1994

ORIGINAL: ENGLISH

Twenty-fifth session
Cartagena, Colombia, 20-27 April 1994

RESTRUCTURING AND REVITALIZATION OF THE UNITED NATIONS IN THE ECONOMIC AND SOCIAL FIELDS: AN UPDATE ON ITS IMPACT ON THE ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN

Note by the secretariat

94-2-212

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1. Background

As part of the ongoing restructuring exercise within the United Nations, the ECLAC secretariat prepared a report two years ago to orient its own members regarding the role of the regional commissions in general and ECLAC in particular in said exercise.[1] Following its analysis of this report during its twenty-fourth session, the Commission issued resolution 520(XXIV), in which it recommended, inter alia:

> "...that the restructuring and revitalization of the United Nations in the economic and social fields being currently undertaken by the General Assembly consider the desirability of:
>
> > "a) Increased decentralization in the execution of activities in the new organizational structure which is being created, based on the concept that the endeavours of the Organization at these fields can be carried out more efficiently and effectively at the field level on a regional and subregional basis;
> >
> > "b) Improved coordination and Secretariat-wide coherence by reinforcing the activities of the regional commissions aimed at mutually supporting the activities of the organizations and agencies of the United Nations system in their respective regions through, inter alia, intensifying joint activities and emphasizing joint programming exercises and meetings;
> >
> > "c) A clear division of responsibilities regarding regional technical cooperation activities between the regional commissions on the one hand and the United Nations Development Programme and the United Nations Population Fund on the other, in particular by requesting coordination prior to the submission of regional projects and activities to Governments;
> >
> > "d) Improved effectiveness of the technical cooperation activities provided by the United Nations to countries —through the intermediary of the regular programme of technical cooperation— by decentralizing more of the resources allotted to the Commission under section 12 of the budget and by strengthening its capacity as an agency responsible for executing operational activities and technical cooperation projects at regional level...".

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[1] ECLAC, Restructuring and Revitalization of the United Nations in the Economic and Social Fields: Role and Functions of ECLAC (LC/G.1716(SES.24/18)), Santiago, Chile, 19 February 1992.

Much has happened since that time in the realm of the restructuring process. This document contains a brief update on the topic, with the aim of informing member Governments on how the process affects the regional commissions in general, and ECLAC in particular, in the light of the recommendations contained in the above-cited resolution.

2. The restructuring process at Headquarters

The Secretary-General of the United Nations has stated that one of his key objectives in the restructuring exercise is to rebuild "a unity of purpose for the economic, social and environmental sectors of the Organization".[2] Pursuant to that objective, said exercise has aimed at defining the functions of the various parts of the Organization and determining how those functions can be carried out most effectively. The core of the Secretary-General's strategy has been to secure a more rational distribution of responsibilities between Headquarters and the United Nations centres at Geneva, Nairobi and Vienna, as well as among global, regional and field structures.

Two broad principles have governed the approach to the distribution of responsibilities between Headquarters and other parts of the Organization's economic and social structures. The first is that responsibility for each sector or set of issues coming within the purview of the United Nations should, to the extent possible, be clearly assigned to, and the necessary critical mass for dealing with them concentrated in, a single unit or entity within the Secretariat, without duplication and as part of an organization-wide strategy. The second, related requirement is that the provision of substantive support for central intergovernmental bodies should be regarded as a priority activity for all economic, social and environmental entities of the United Nations in their respective sectors, coordinated from Headquarters.

The first phase of restructuring was initiated shortly after the Secretary-General took office, early in 1992. A key element of that phase was the establishment in New York of a single Department of Economic and Social Development. This phase was announced as a first step, in order to create new synergies among the three pillars of the work of Headquarters: system-wide coordination and policy guidance; research, analysis and studies on important global economic and social issues; and technical cooperation activities in developing countries. At the same time, a high-level panel of advisers was named by the Secretary-General to provide guidance on how to proceed with restructuring. The panel presented its report in August 1992.

Based on the panel's recommendations and the experience gained during the first phase of restructuring and revitalizing the economic and social areas of the United Nations, the second phase was announced in December 1992. This entailed the creation of three new departments organized around clusters of functions; these cover, respectively, policy coordination and sustainable development, economic and social information and policy analysis, and development support and management services.

The relevant functions and activities of the Centre for Social Development and Humanitarian Affairs at Vienna and the World Food Council secretariat at Rome were redeployed to New York and merged into the Department for Policy Coordination and Sustainable Development. Furthermore, the different aspects of United Nations activities in the closely interrelated areas of trade, finance, investment

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[2] Statement at the debate on the follow-up of the United Nations Conference on Environment and Development, General Assembly, 2 November 1992.

and technology were consolidated in the United Nations Conference on Trade and Development. This included the transfer of the United Nations Centre on Transnational Corporations and the Commission on Science and Technology for Development from New York to Geneva.

As a result, the balance at Headquarters among Secretariat structures in the political, humanitarian, economic and social fields has improved. Organizational units have been given clear and distinct terms of reference and clear lines of responsibility, and services to central intergovernmental bodies have been integrated.

3. Restructuring in the rest of the Secretariat

As to restructuring in the rest of the Secretariat, the Secretary-General made a statement to the General Assembly on 2 November 1992 highlighting the special importance he attached to decentralization as a means of bringing the United Nations closer to the member States it serves.[3] On that occasion, he stressed that measures aimed at strengthening the functions of the regional commissions and increasing their responsibilities were an important and integral part of the restructuring objectives. Accordingly, the Secretary-General designated a Special Adviser and Delegate on the restructuring of the economic and social sectors, who prepared a proposal in April of 1993. Subsequently, the Secretary-General established an interdepartmental Task Force to review Headquarters activities that could be more effectively carried out at the regional level, and to comment on the aforementioned report.

In essence, the Secretary-General accepted the recommendations formulated by his Special Adviser and ratified by the interdepartmental Task Force. These can be summarized as follows:

1. The importance of decentralization to the regional level stems from the role and functions assigned to the regional commissions in several General Assembly and Economic and Social Council resolutions. Among the broad responsibilities assigned by these resolutions to the commissions are the following:

- to function as the main economic and social development centres within the United Nations system for their respective regions;

- to exercise team leadership and responsibility for coordination and cooperation at the regional level;

- to provide inputs for global policy-making processes of the competent United Nations organs and to participate fully in the implementation of the relevant policy and programme decisions taken by these organs;

- to participate actively in operational activities, particularly as regards subregional, regional and interregional projects of an intersectoral nature;

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[3] Statement at the debate on the follow-up of the United Nations Conference on Environment and Development, General Assembly, 2 November 1992.

- to assist in strengthening regional cooperation and help promote effective interregional cooperation.

2. The regional commissions have comparative advantages in such areas as gathering information, monitoring economic development and promoting cooperation with and among their member Governments, including the provision of technical cooperation and training facilities. These comparative advantages arise, inter alia, from their proximity to member Governments, their consequent ability to appreciate changing or emerging requirements, their accumulated expertise and experience concerning the countries of the region (which is not available elsewhere in the Organization) and, particularly, their ability to offer, by virtue of the involvement in their work of all countries of their respective regions, a comprehensive framework for regional cooperation.

3. Decentralization is best regarded as a functional process involving a more effective distribution of responsibilities and tasks between global and regional entities which takes full account of the distinct mandates and special characteristics of the commissions within the overall structure of the United Nations. It should not entail a fragmentation of the activities of the Secretariat; rather, it should promote complementarity and mutual reinforcement of activities and contribute to the cohesiveness of the work of the United Nations, the various parts of which constitute an integral whole. It follows from this proposition that, first, the commissions should be viewed as the regional arms of a single integrated United Nations programme in the socio-economic field rather than as disparate, separate entities; second, their participation in and contribution to the global work of Headquarters entities should be enhanced and the mechanisms for programmatic interaction strengthened; and third, each commission must have its own field of activities, and by implication its own responsibilities and corresponding resources.

4. Relationships among the various components of the United Nations should be so organized as to reflect and support this policy approach to decentralization. They should facilitate the effective discharge by each component of its own responsibilities while at the same time promoting the concerted development and implementation of overall strategies and programme priorities applicable to the Organization as a whole.

5. In order to produce "significant, practical results, including immediate measures of decentralization [to the regional commissions] of functions and resources in specific areas, particularly as they relate to the provision of advisory services," and based on the recommendations of the Task Force, the Secretary-General decided on 12 May 1993 to decentralize to the commissions a specified level of additional resources under section 26 of the regular budget specifically under subprogramme 6: Natural resources and energy; and section 12: Regular programme of technical cooperation.

Accordingly, ECLAC reformulated its budget proposal for the 1994-1995 biennium in the light of the above decision, to strengthen its research capabilities in such areas as energy and water resources development which, due to their nature, can be dealt with most effectively at the regional level. In addition, the revised budget proposal included an increase in the regular programme of technical cooperation for development (section 12), from its present level of US$ 3.2 million to US$ 5.4 million, in accordance with the Secretary-General's decision to enhance the participation of the regional commissions in the field of technical cooperation.

4. Actions taken by the General Assembly

The results of the forthcoming decentralization process and the increase in resources, as provided for in the original 1994-1995 budget proposal, should enable ECLAC to assist member States more effectively in solving their social and economic problems. In fact, ECLAC will have greater capacity to analyse development problems and more efficient means of providing technical cooperation in key development areas. It will then be in a better position to act as the United Nations regional arm for developmental purposes, as the Secretary-General foresees the role of the regional commissions.

The General Assembly approved the programme budget for the period 1994-1995 on 23 December 1993, on the basis of the recommendations contained in a resolution of the Fifth Committee (A/C.5/48/L.34 of 20 December 1993). The budget includes the resources decentralized to ECLAC under the regular programme of technical cooperation (section 12), mentioned in paragraph 5, but does not include resources to be decentralized to ECLAC under subprogramme 6: Natural resources and energy (in section 26), mentioned in the same paragraph.

Owing to its late presentation, the budget proposal could not reflect all the decisions of the Secretary-General regarding decentralization. However, in the coming months he will personally review the process of decentralization with the Executive Secretaries.

In its resolution, the Fifth Committee also took account of this fact by stating that it:

> "12. Reiterates its request to review the role of United Nations headquarters, centres, the regional commissions and entities in the field, in particular the centres at Nairobi and Vienna, with a view to improving the distribution of responsibilities among them on the basis of their relative advantages; ...".

5. Conclusions

Decentralization, as mentioned above, is best regarded as a functional process involving a more effective distribution of responsibilities and tasks between global and regional entities which takes full account of the distinct mandates and special characteristics of the commissions within the overall structure of the United Nations.

Although the results of decentralization do not yet meet the expectations either of the Secretary-General (as reflected in his official statements) or of the regional commissions —as reflected, for example, in ECLAC resolution 520(XXIV)— consultations and discussions are continuing.

It is expected that during the deliberations of the twenty-fifth session, delegates of the ECLAC member countries will continue to express their position of support for this process.